



HOUSE NOTES

The Latest News from the State Capitol
Louisiana House of Representatives
May 18, 2007

With the third week of the session behind us, the House has passed and sent to the Senate, 177 of the 934 House bills introduced. In the Senate, 60 Senate bills have made their way through the process and await House action.

After failing to land the Thyssen Krupp steel mill last week, there was discussion this week about what to do with the \$300 million set aside to lure the company to Louisiana. One suggestion is for the state to purchase the land where the mill was to have located for future economic development projects.

May 16 was the 75th anniversary of the dedication of the State Capitol. The event went almost unnoticed, except for a resolution passed by the House to commemorate the event.

According to [House Resolution 37](#), the dedicatory address was delivered by John Holmes Overton of Alexandria, a member of the United States House of Representatives, who was considered an outstanding public speaker. Mr. Overton went on to serve Louisiana in the United States Senate.

Dedication of the building was held in conjunction with the inauguration of Governor O.K. Allen.

ETHICS

* [House Bill 933](#) provides for changes in legislative lobbyist registration and expenditure report requirements.

An initial registration must be filed with the Ethics Board prior to the first action

requiring his registration as a lobbyist.

The term "Expenditure reports" would be changed to "activity reports." Changes in potential subject matters would be reported on activity reports and not require the filing of a supplemental registration.

An activity report must contain the name, business address, business telephone number and mailing address of the lobbyist, and must identify the potential subject matter lobbied, if not reported in the initial registration.

The proposed law applies to the registration of lobbyists for the year 2008 and thereafter, and does not apply to any expenditure or activity report that includes a reporting period in 2007. The bill would become effective December 1, 2007

House Bill 733 is pending consideration by the full House.

* [House Bill 340](#) provides that each public agency head is required to post a notice containing an explanation in plain language the rights of employees in a conspicuous point in each building where more than ten public employees are employed. The bill requires the ethics board to determine the specific content of the notice.

If the board finds probable cause in a public hearing to believe that a person has violated a criminal law of the state, the board shall forward a copy of its findings to the district attorney of the parish in which the violation occurred.

The House approved HB340, 96-0.

POLICYHOLDER'S BILL OF RIGHTS

* [House Bill 649](#) provides for a property insurance "Policyholder's Bill of Rights" and creates an office of insurance consumer protection in the governor's office to represent consumers before the Louisiana Insurance Rating Commission and the commissioner of insurance and to report to the legislature.

An insurer would be required to provide an insured with a free copy of the policy following a covered loss within 15 days of the request and to notify a claimant of the right to obtain, upon request, copies of all documents relating to the evaluation of damages within 15 days of a request. An insurer would be required to promptly respond to all inquiries or requests from the insured within 14 days; provide the insured with a trained and qualified adjuster; provide a copy of all reports from adjusters, engineers, appraisers, or other loss evaluation experts when such reports are given to the insurer or adjuster; provide the insurer with a written status report when the insurer has assigned a third or subsequent adjuster to the claim within a six-month period; give the insured the categories or provisions of the policy under which payment is being denied; and the reason for denial as part of any settlement under the policy.

The proposed law shall not be construed to affect existing litigation discovery rights.

The bill also provides for additional living expenses in losses related to a gubernatorially-declared emergency and requires 24-month coverage for additional living expenses under a homeowner's policy, subject to other policy provisions.

The proposed law would prohibit an insurer from writing homeowners' coverage anywhere in the state for five years who refuses to write insurance in another part of the state.

The bill further prohibits an insurer

who writes homeowners' insurance and other lines of insurance coverage in this state to withdraw from writing homeowners' insurance in this state if the insurer is writing homeowners' insurance in another state. This prohibition includes writing any coverage in any line of insurance in the state for five years.

Any violation of HB649 would subject the insurer to penalties contained in present law, specifically, penalties in an amount not to exceed two times the damages sustained or \$5,000, whichever is greater. These penalties would be in addition to other penalties provided for in HB649.

House Bill 649 was reported favorably by committee and waits action by the full House.

INDIGENT DEFENSE

* Under Louisiana's Constitution, every person accused of a crime is entitled to be represented by counsel of his choice, or counsel appointed by the court if he is indigent and charged with an offense punishable by imprisonment.

[HB No. 436](#) provides for a revision of the indigent defender system in Louisiana by renaming the existing Louisiana Indigent Defense Assistance Board the Louisiana Public Defender Board and by providing that the board has the authority to adopt rules establishing mandatory standards and guidelines for the delivery of indigent defender services. The bill repeals provisions creating the 41 judicial district indigent defender boards. The district level delivery of indigent defender services and the chief indigent defender of each district will remain the same, except that those districts will now be subject to the standards and guidelines adopted by the board, training requirements, and will also have regular reporting requirements to the board regarding district operations and expenses.

The bill creates an executive staff for the board consisting of a state public defender, deputy public defender director or training, deputy public defender director of juvenile

defender services, budget officer, information technology and management officer, trial level and juvenile justice compliance officers.

The bill was approved by the House by a vote of 100-1.

INSURANCE RATING COMMISSION

* *House Bill 860* abolishes the Louisiana Insurance Rating Commission (LIRC) and transfers all of its powers, duties and functions to the office of property and casualty within the Department of Insurance. The bill also creates the office of consumer advocacy within the Department of Insurance.

The office of property and casualty would regulate all insurance rates or rate changes for property and casualty insurance lines, including the authority to provide for and enforce these rate changes. The examination and investigative authority formerly held by the La. Insurance Rating Commission would be transferred to the commissioner of insurance.

House Bill 860 provides that any rate change applicable to an individual risk may become effective 30 days after filing. A rate increase for an individual risk cannot be approved more than once in a twelve-month period, but an application for a reduction of rates may be approved at any time. A filing is considered approved unless disapproved in writing by the office of property and casualty within the prescribed 30-day waiting period. Any filing that is disapproved may be appealed to the commissioner within 15 days from receipt of written notice of disapproval.

The Public Records Law shall not apply to any daily reports or endorsements filed by insurance companies doing business in this state with the commissioner of insurance. House Bill 860 authorizes and requests the La. State Law Institute to change other references to the LIRC or the office of property and casualty in present law to references to the commissioner of insurance.

The office of consumer advocacy

within the Department of Insurance would operate under the direction of a deputy commissioner of insurance, appointed by the commissioner and confirmed by the Senate. The office of consumer advocacy will receive inquiries and complaints from consumers; prepare and disseminate information as the department deems appropriate to inform or assist consumers; provide direct assistance and advocacy for consumers requesting assistance; and report apparent or potential violations of law.

Finally, the proposed legislation establishes a property insurance bill of rights for consumers that must be observed by all property insurers in the state.

House Bill 860 was reported by substitute and becomes House Bill 960.

CELL PHONE USE

* Under *House Bill 99* drivers would have to put down their cell phones while driving in a school zone during posted hours.

Violations of the proposed law carry a fine of not more than \$175 or imprisonment for not more than 30 days, or both, for a first violation. A fine of not more than \$500 or imprisonment for not more than 90 days, or both, would be imposed for subsequent violations.

Exceptions are provided for anyone contacting public safety or law enforcement, anyone who is in a parked motor vehicle, and emergency personnel while performing their duties.

House Bill 99 was approved by committee and awaits action in the full House.

"DOCTOR SHOPPING"

* *House Bill 213* provides penalties for the practice by an individual to intentionally obtain a second prescription for a controlled dangerous substance or Carisoprodol without disclosing the first subscription to the second health care practitioner.

A person who seeks an additional prescription for a controlled dangerous

substance or the legend drug Carisoprodol would be required to disclose the existing prescription to the practitioner. The disclosure of the existing prescription must be made in writing and made part of that person's medical record. The written disclosure shall include the name of the controlled dangerous substance, the date of the prescription, the amount of the controlled substance prescribed, and the number of refills, if any.

Violators of the proposed law would be subject to imprisonment, with or without hard labor, for not more than five years, and may be sentenced to pay a fine of \$5,000.

House Bill 213 was approved 103-0, by the full House.

TOURISM

* Under present law, the Louisiana Tourism Promotion District has the authority to levy a sales and use tax at no more than 3/100 of one cent. There is a cap, however, on the amount of this tax that can be used to promote the industry through media advertisement such as magazine, television, radio, billboard, and newspaper ads.

[House Bill 270](#) would remove this cap. The bill overwhelmingly passed the House by a vote of 95-1 and now heads to the Senate for further debate.

FAILED TO PASS

* [House Bill 484](#) which would have permitted promotional poker tournaments at certain locations, passed a House committee but was defeated on the House Floor by a vote of 48-47.

* [House Bill 486](#) which would have amended the state building code to allow parishes or municipalities to allow the use of an affidavit to certify that construction followed the code. Present law requires inspection by certified specialists. The bill failed to pass the full House by a vote of 52-45, one vote shy of passage.

* [House Bill 451](#) would have allowed an increase in the fees the Public Service Commission charges utilities

* [House Concurrent Resolution](#), calling for ratification of the proposed Equal Rights Amendment to the U.S. Constitution, was defeated by the House Civil Law Committee.

* [House Bill 601](#) would have adopted the International Plumbing Code as the State Sanitary and State Plumbing Code. The bill was defeated in the House Commerce Committee.